**NCF recommendation for grain banks**

2607. SHRI SITARAM YECHURY: Will the Minister of AGRICULTURE be pleased to state:

(a) whether the National Commission on Farmers has recommended for the creation of Grain Banks in the district where National Food for Work Programme is under implementation;

(b) if so, the steps taken by Government in this regard;

(c) what has been the impact of the creation of Grain Banks; and

(d) if Government did not implemented it the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA): (a) The National Commission on Farmers has recommended setting up of 10,000 Community Grain Banks to cover all tribal villages including 150 districts identified for "National Food for Work Programme" having more than 50% population belonging to Scheduled Caste/Scheduled Tribe communities.

(b) The Scheme of Village Grain Bank was being implemented by Ministry of Tribal Affairs upto 2003-04. Thereafter the Scheme has been transferred to Department of Food and Public Distribution for revision and implementation. The revised scheme proposes to cover persons belonging to Scheduled Castes/Scheduled Tribes as also the Below Poverty Line/ Antyodaya Anna Yojana families in the food scarce areas like the drought prone areas, the hot and cold deserts, tribal areas and the inaccessible hilly areas. During 2005-06, a sum of Rs. 20.20 crores has been allocated for setting up about 3471 Grain Banks in the country. During 2006-07 about 8591 Grain Banks are envisaged to be set up with a budgetary allocation of Rs. 50.00 crores.

(c) An amount of Rs. 20.50 crore was sanctioned for establishing 4858 Grain Banks in 11 States by Ministry of Tribal Affairs. In some States the scheme was implemented satisfactorily whereas in others the scheme could not take off smoothly for one reason or the other.

(d) Does not arise.

2608. CANCELLED

**Agreement with manufacturers on drug price control**

2609. SHRI RAJKUMAR DHOOT: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that Government have not been able to arrive at

an agreement with manufacturers to fix prices of life saving and other drugs;

(b) if so, the areas of disagreement; and

(c) what steps Government propose to take to ensure availability of life saving drugs to patients at reasonable rates?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a) to (c) As per the present Pharma Pricing Policy, the 74 bulk drugs specified in the First Schedule of the Drugs (Prices Control) Order, 1995 (DPCO, 95) and the formulations based thereon are under price control and their prices are fixed/revised by the National Pharmaceutical Pricing Authority (NPPA) in accordance with the provisions of the DPCO, 95.

Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view the various factors like cost of production, marketing/selling expenses, R&D expenses, trade commission, market competition, product innovation, product quality etc., The NPPA monitors the prices of medicines as per monthly Retail Audit Reports of ORG-IMS Research Pvt. Ltd. The Government takes corrective measures where the public interest is found to be adversely affected.

Subsequently, a Task Force under the Chairmanship of Dr. Pronab Sen, Principal Adviser, Planning Commission was constituted to explore options other than price control to make available life saving drugs at reasonable prices. During its meetings, the Task Force deliberated upon almost all the recommendations made in its interim Report by the Committee under the Chairmanship of Joint Secretary. The Task Force has submitted its report to the Government on the 20th September, 2005. Some of the salient recommendations of Task Force regarding the price management are, that Price Controls should be imposed on the 'essentiality' of the drug and not on the basis of turnover and it should be applied only to formulations and not to bulk drugs, to promote generic drugs, to establish price negotiation process for new patented drugs, to streamline the bulk procurement regime, to exempt the excise duty, customs duty and other levies on cancer and anti-HIV/AIDS drugs, to reduce the excise duty on drugs from 16 to 8% , to enhance the exemption limit of SSI units from

Rs. 1 crores to Rs. 5 crores. All these recommendations would assist in ensuring that the essential medicines are available at reasonable prices.

The Government in consultation with various stakeholders is examining the recommendations of the Task Force. Based on this a new Pharmaceutical Policy is likely to be announced shortly. However, there is no practice of having an agreement with manufacturers to fix the prices of life saving and other drugs.

**Demand of chemical fertilizers**

†2610. DR. MURLI MANOHAR JOSHI:
SHRI RAVI SHANKAR PRASAD:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that it has been assessed that during the current year, the supply of chemical fertilizers would be less in comparison to demand thereof;

(b) if so, the facts thereof and assessment with regard to quantity of demand and supply thereof;

(c) whether it is also a fact that the gap between demand and supply would impact the prices of chemical fertilizers; and

(d) if so, the assessment in this regard?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI RAM VILAS PASWAN): (a) No, Sir.

(b) At present urea is only fertilizer which is under partial distribution control of the Government of India and its availability is ensured at the State level. All other fertilizers are decontrolled and their availability depends on the market forces of demand and supply. The table below gives the details of demand and supply of major fertilizers and expected availability during the current year:—

†Original notice of the question was received in Hindi.